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DEPARTMENT OF EDUCATION
LANSING



THOMAS D. WATKINS, JR.
SUPERINTENDENT OF
PUBLIC INSTRUCTION

MEMORANDUM

MICHIGAN DEPARTMENT OF EDUCATION

TO: Michigan School Business Officials

FROM: Carol Wolenberg

DATE: April 28, 2004

SUBJECT: Grants Final Expenditure Reporting Enhancements

I want to bring a small change in grants final expenditure reporting to your attention. For MEGS grants, MDE now has the technical capability to import actual approved project budgeted amounts into the DS-4044 Final Expenditure Report. The Grants Cash Management & Reporting System (GCMRS) will interface with the Michigan Electronic Grants System (MEGS) for DS-4044 expenditure reporting. All districts/agencies/fiscal agents that receive grant funds for grants applied for using MEGS will complete the DS-4044 using MEGS screens.

This process should be seamless to you and your staff. You will use the same security, and do everything the same as you currently do. The only change is that budgets, by function code, which were entered into MEGS at the time of grant approval, will be automatically posted into the DS-4044 Final Expenditure Report. Therefore, reported expenditure amounts that deviate from the budgeted amount (the parameter is set by USDOE instructions), will be flagged for attention by both the grantee and MDE.

Under the current MDE system, the possibility exists that grantees can enter any budget amount into the budget column of the DS-4044 final expenditure report, and MDE has no automated way to verify the accuracy. MDE, as well as the State Office of the Auditor General, is increasingly concerned about this weakness in grant management.

The attached sheet provides further information and staff contacts should you have questions.

Thank you.

cc: Tom White MSBO
Lori Schomisch
Mary Ann Chartrand
Mike Flanagan, MASA

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MICHIGAN DEPARTMENT OF EDUCATION - MEGS

DS-4044 Expenditure Reporting

1. **Purpose:** Announcement of changes to the Michigan Department of Education DS-4044 Grants Final Expenditure Reports. These changes will be effective for reporting after June 30, 2004
2. **Concept:** For MEGS grants, the Grants Cash Management & Reporting System (GCMRS) will interface with the Michigan Electronic Grants System (MEGS) to complete DS-4044 expenditure reporting. All districts/agencies/fiscal agents that receive grant funds for grants applied for using MEGS will complete the DS-4044 final Expenditure Report using the MEGS format.
3. **Background.**
 - a. MDE Financial Management staff collect security authorization forms for grantee officials authorized to do financial reporting. There are three levels of security in GCMRS: Entry/Sign; Entry; Read Only. MEGS will allow GCMRS users the same level access.
 - b. Grantees will enter into GCMRS their usual way to do DS-4044 grant reporting using GCMRS security.
 - c. The GCMRS system will forward the grantee into a MEGS - DS4044 reporting process.
 - d. The grantee will complete and submit their DS-4044 Final Expenditure Report and data will flow both into MEGS and GCMRS.
 - e. Authorized grantee staff will complete the DS-4044 Final Expenditure Report by accessing and using the Signature Page in GCMRS.
4. **What does this mean to School Business Officials?** The primary change to the grantee user is that budgets which were entered into MEGS will be automatically brought into the DS-4044 Final Expenditure Report, by function code. Therefore, reported expenditure amounts that deviate from the budgeted amount, (the 10% parameter set by USDOE instructions); will be flagged for attention by both the grantee and MDE.
5. **MDE Contacts:** Questions about these changes should be referred to: Louis Burgess, (AJ Boggs and Co.) at 517/347/1100 x14, Judy Byrnes (MDE) at 517/241-3895, and Ken Cool (MDE) at 517/241/4965.